



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **SB 539** SLS 10RS 935
Bill Text Version: **ENGROSSED**
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Date: April 23, 2010	12:23 PM	Author: NEVERS
Dept./Agy.: DHH		
Subject: ICF/DD		Analyst: Shawn Hotstream

HEALTH SERVICES

EG GF EX See Note

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Requires the Department of Health and Hospitals secretary to license and enroll in the Medicaid program certain providers who operate intermediate care facilities for the developmentally disabled. (gov sig)

Proposed law provides that the secretary of DHH shall license and enroll any provider or facility which is operated by a nonprofit organization that has been in operation for over 100 years that provides care for adult women who have a developmental disability as an intermediate care facility for the developmentally disabled in the Medicaid program. Such facilities will be exempt from the facility need review process.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Information received from the Department of Health and Hospitals indicates this bill will require the department to enroll the Alexander Milne Home for Women in the Medicaid program, and allow them to qualify as an Intermediate Care Facility for the Developmentally Disabled (ICF/DD) Medicaid provider. Licensing additional ICF/DD beds is anticipated to significantly increase Medicaid expenditures for ICF/DD beds days by an indeterminable amount.

According to the department, the Alexander Milne Home for Women is a public foundation that has been in existence for more than 171 years and was previously located in New Orleans, Louisiana prior to Katrina. The home provided services to women of Louisiana in a dorm setting. The home was licensed under the Department of Social Services as an Assisted Living Facility. Hurricane Katrina forced the home to relocate to Mississippi, where the home is licensed as an assisted living home under the Mississippi Department of Health. The home was granted a 5 year temporary certificate of need for ICF/DD beds in Mississippi.

This measure allows the foundation to bypass the Facility Need Review process and grants automatic enrollment in Louisiana Medicaid. Unless the Office for Citizens with Developmental Disabilities is able to perform eligibility determinations on existing residents and perform an inventory for Client and Agency Planning to determine acuity levels, a total cost estimate in FY 11 and future fiscal years is indeterminable. As an illustrative example, this measure could result in a \$2.7 M annual increase in Medicaid expenditures. This is based on the following assumptions and calculations:

- 1) additional 50 ICF beds (based on the home currently serving 45 women in Mississippi)
- 2) Per diem rate of \$163 per bed per day (this rate is based on the lowest acuity level, if some residents are higher acuity, the per diem rate could increase to \$204 per bed per day, which would increase the exposure to the state)
- 3) reduce rate by the provider fee amount
- 4) assumes all residents are eligible for ICF services
- 5) 50 residents x \$148 (\$163 per diem less \$14 provider fee) x 365 days

REVENUE EXPLANATION

An increase in ICF/DD would increase agency self generated beds by an indeterminable amount as the beds would be assessed a per day provider fee. The provider fee on ICF/DD beds is \$14 per bed per day.

Senate

Dual Referral Rules

☒ 13.5.1 >= \$100,000 Annual Fiscal Cost

☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

☒ 6.8(F) >= \$500,000 Annual Fiscal Cost

☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

Legislative Fiscal Officer